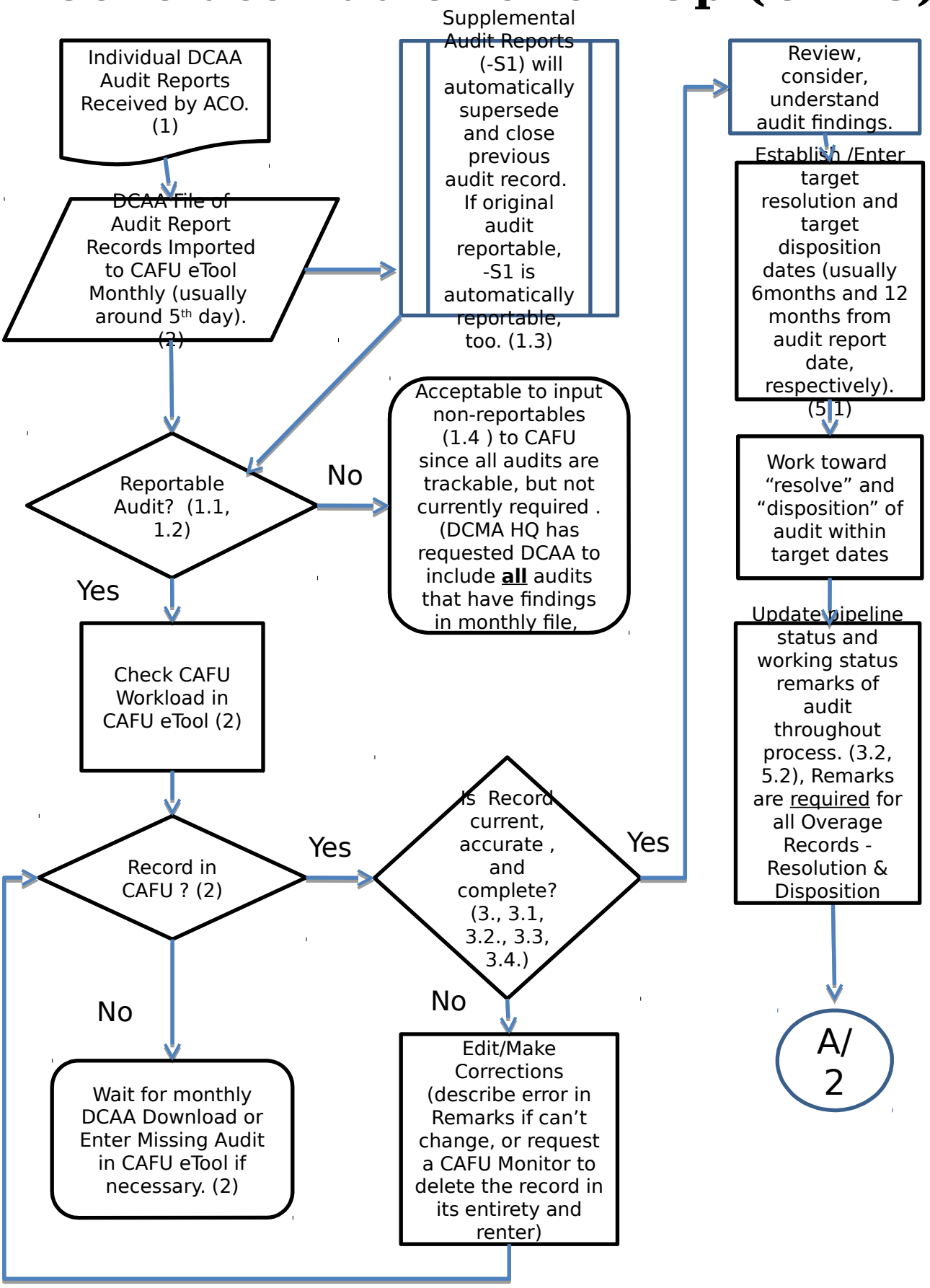
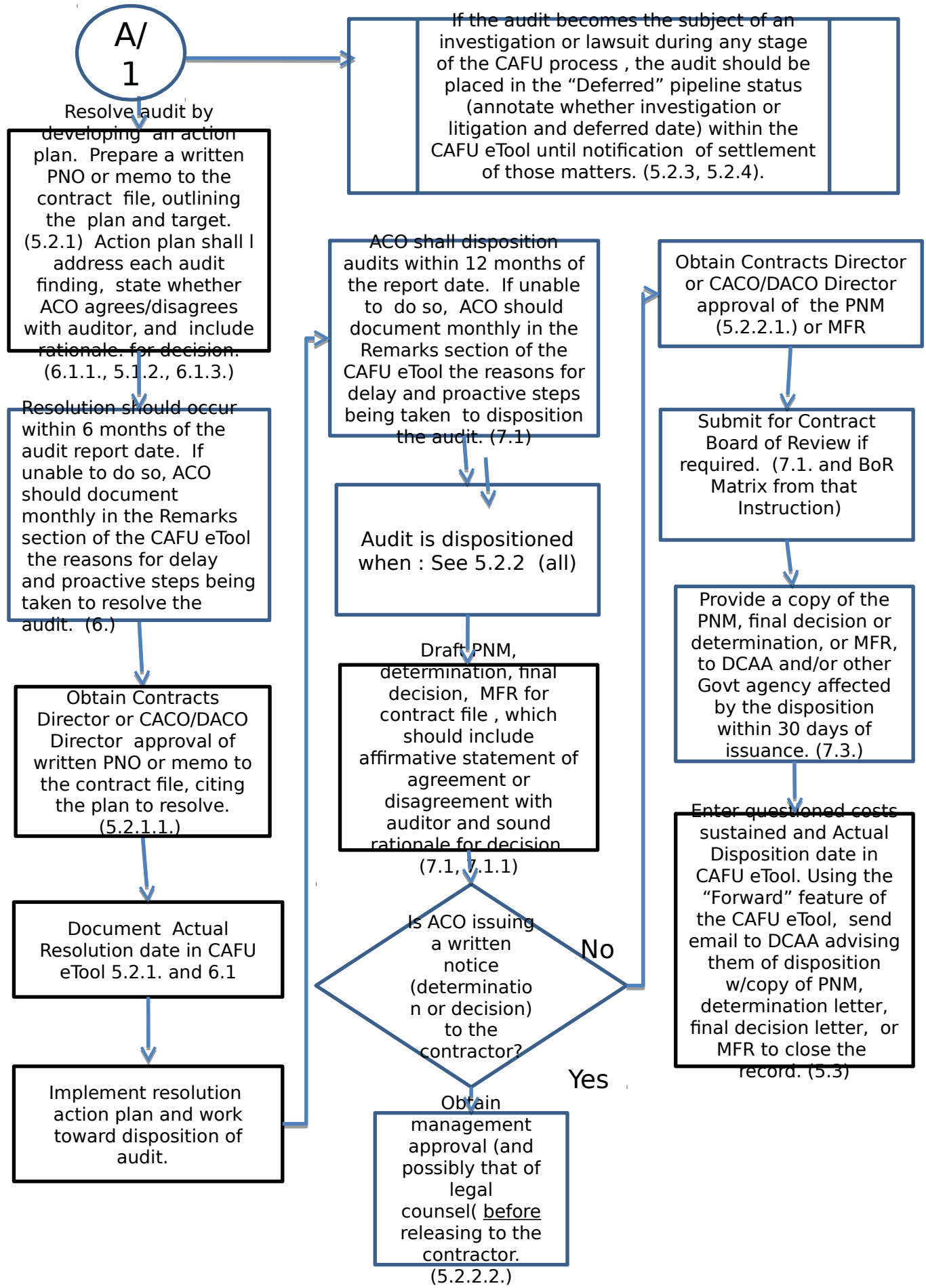
Contract Audit Follow-Up (CAFU)


Individual DCAA Audit Reports Received by ACO. (1)
DCAA File of Audit Report Records Imported to CAFU eTool Monthly (usually around 5th day). (2)
Supplemental Audit Reports (-S1) will automatically supersede and close previous audit record. If original audit reportable, -S1 is automatically reportable, too. (1.3)
Reportable Audit? (1.1, 1.2)
No
Acceptable to input non-reportables (1.4) to CAFU since all audits are trackable, but not currently required . (DCMA HQ has requested DCAA to include all audits that have findings in monthly file,
Yes
Check CAFU Workload in CAFU eTool (2)
Record in CAFU ? (2)
Yes
Is Record current, accurate , and complete? (3., 3.1, 3.2., 3.3, 3.4.)
Yes
No
No
Wait for monthly DCAA Download or Enter Missing Audit in CAFU eTool if necessary. (2)
Edit/Make Corrections (describe error in Remarks if can't change, or request a CAFU Monitor to delete the record in its entirety and renter)
Review, consider, understand audit findings.
Establish /Enter target resolution and target disposition dates (usually 6months and 12 months from audit report date, respectively). (5.1)
Work toward "resolve" and "disposition" of audit within target dates
Update pipeline status and working status remarks of audit throughout process. (3.2, 5.2), Remarks are required for all Overage Records - Resolution & Disposition
A/2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If the audit becomes the subject of an investigation or lawsuit during any stage of the CAFU process , the audit should be placed in the "Deferred" pipeline status (annotate whether investigation or litigation and deferred date) within the CAFU eTool until notification of settlement of those matters. (5.2.3, 5.2.4).
Resolve audit by developing an action plan. Prepare a written PNO or memo to the contract file, outlining the plan and target. (5.2.1) Action plan shall l address each audit finding, state whether ACO agrees/disagrees with auditor, and include rationale for decision. (6.1.1., 5.1.2., 6.1.3.)
Resolution should occur within 6 months of the audit report date. If unable to do so, ACO should document monthly in the Remarks section of the CAFU eTool the reasons for delay and proactive steps being taken to resolve the audit. (6.)
Obtain Contracts Director or CACO/DACO Director approval of written PNO or memo to the contract file, citing the plan to resolve. (5.2.1.1.)
Document Actual Resolution date in CAFU eTool 5.2.1. and 6.1
Implement resolution action plan and work toward disposition of audit.
ACO shall disposition audits within 12 months of the report date. If unable to do so, ACO should document monthly in the Remarks section of the CAFU eTool the reasons for delay and proactive steps being taken to disposition the audit. (7.1)
Audit is dispositioned when : See 5.2.2 (all)
Draft PNM, determination, final decision, MFR for contract file , which should include affirmative statement of agreement or disagreement with auditor and sound rationale for decision (7.1, 7.1.1)
Is ACO issuing a written notice (determinatio n or decision) to the contractor?
No
Yes
Obtain management approval (and possibly that of legal counsel(before releasing to the contractor. (5.2.2.2.)
Obtain Contracts Director or CACO/DACO Director approval of the PNM (5.2.2.1.) or MFR
Submit for Contract Board of Review if required. (7.1. and BoR Matrix from that Instruction)
Provide a copy of the PNM, final decision or determination, or MFR, to DCAA and/or other Govt agency affected by the disposition within 30 days of issuance. (7.3.)
Enter questioned costs sustained and Actual Disposition date in CAFU eTool. Using the "Forward" feature of the CAFU eTool, send email to DCAA advising them of disposition w/copy of PNM, determination letter, final decision letter, or MFR to close the record. (5.3)